

Housing and Community Affairs

MISSION STATEMENT

The mission of the Department of Housing and Community Affairs is to: plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of new affordable housing; and maintain existing housing in a safe manner.

BUDGET OVERVIEW

The total recommended FY07 Operating Budget for the Department of Housing and Community Affairs is \$32,676,080, a decrease of \$2,884,520 or 8.1 percent from the FY06 Approved Budget of \$35,560,600. Personnel Costs comprise 23.2 percent of the budget for 86 full-time positions and four part-time positions for 74.1 workyears. Operating Expenses and Debt Service account for the remaining 76.8 percent of the FY07 budget.

Not included in the above recommendation is a total of \$1,577,020 and 14.4 workyears that are charged to: Capital Improvements Program - CIP (\$926,110, 8.0 WYs); Permitting Services (\$78,160, 1.0 WY); and Solid Waste Disposal (\$572,750, 5.4 WYs). The funding and workyears for these items are included in the receiving departments' budgets.

In addition, the department expects to have signed agreements abating \$8.7 million in taxes for affordable housing projects through the Payment in Lieu of Taxes (PILOT) program.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

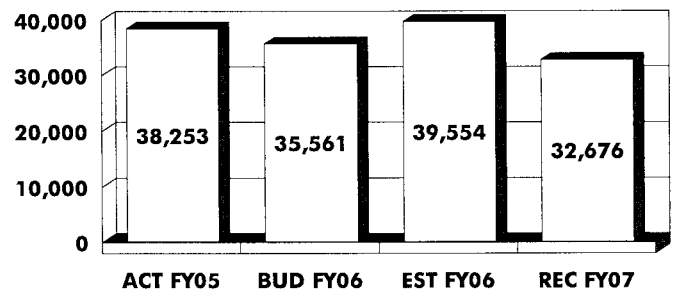
HIGHLIGHTS

- ❖ **Provide \$19.9 million in total resources for the Montgomery Housing Initiative (MHI) fund for the acquisition and rehabilitation of affordable housing.**
- ❖ **Provide Community Development Block Grants (CDBG) of \$631,620 to 29 non-profit organizations.**
- ❖ **Provide Emergency Shelter Grants of \$67,980 to three non-profit organizations to prevent homelessness.**
- ❖ **Enhance two positions to coordinate the development review process as they pertain to Moderately Priced Dwelling Unit (MPDU) requirements.**
- ❖ **Productivity Enhancements**
 - **Created an Internet web page that tracks the status of Moderately Priced Housing Unit (MPDUs) applications.**
 - **Created a Resource Center Internet web site that offers a one-stop site to locate Department of**

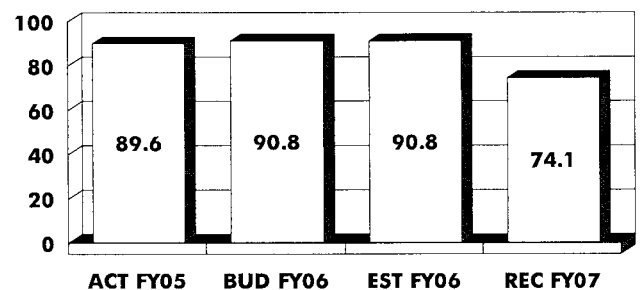
Program Summary

	Expenditures	WYs
Multi-Family Housing Programs	19,049,900	8.7
Single-Family Housing Programs	557,460	7.7
Housing Code Enforcement	1,853,050	18.1
Federal Programs	8,041,430	7.0
Landlord-Tenant Mediation	1,021,990	8.8
Commercial Revitalization	753,800	8.0
Consumer Protection	0	0.0
Licensing and Registration	345,830	3.0
Housing Administration	104,900	2.0
Administration	947,720	10.8
Totals	32,676,080	74.1

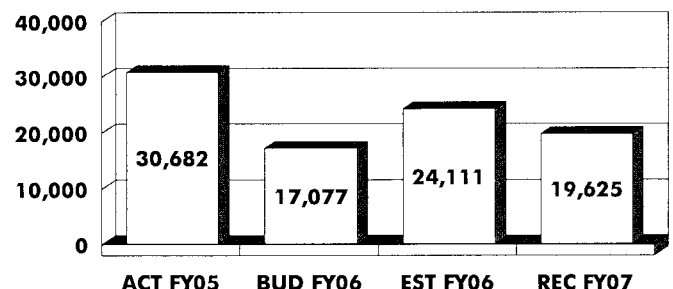
Trends



EXPENDITURES [\$000s]



WORKYEARS



RELATED REVENUES [\$000s]

PROGRAM CONTACTS

Contact Fred Wilcox of the Department of Housing and Community Affairs at 240.777.3607 or Rose Glavinic of the Office of Management and Budget at 240.777.2769 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Multi-Family Housing Programs

This program creates and preserves affordable multi-family housing units. Loans are made to the Housing Opportunities Commission, nonprofit organizations, property owners, and for-profit developers. This program provides funding to:

- preserve existing affordable housing units;
- construct and acquire affordable housing units;
- rehabilitate existing rental housing stock;
- participate in housing or mixed-use developments that will include affordable housing;
- acquire land to produce affordable housing.

Major funding for these projects is provided from the Montgomery Housing Initiative Fund, the Federal HOME Grant, the Federal Community Development Block Grant, and State grants. The program emphasizes the leveraging of County funds with other public and private funds in undertaking these activities.

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FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	19,380,160	13.3
FY07 CE Recommended	19,049,900	8.7

Single-Family Housing Programs

This program creates and preserves affordable single family housing units. It enforces Chapter 25A of the County Code to ensure Moderately Priced Dwelling Units (MPDUs) are provided and monitored for resale control. The Code requires that 12.5 percent to 15.0 percent of an approved development of 20 dwelling units or more be MPDUs, depending on the amount of density bonus achieved. The housing units produced are marketed at controlled prices, which makes them affordable to low- and moderate-income households. This program provides funding to replace, rehabilitate and weatherize single family housing units and rehabilitate group homes for the special needs population.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	343,250	3.7
FY07 CE Recommended	557,460	7.7

Housing Code Enforcement

This program enforces Chapter 26 of the County Code, Housing Standards, by inspecting rental condominiums, multi-family apartments, and single-family housing to ensure safe and sanitary conditions; and Chapter 48, Solid Wastes, and Chapter 58, Weeds, enforcing the residential weeds and rubbish code. Approximately 80 percent of the single-family inspections result from tenant and/or neighbor complaints; other inspections are the result of concentrated code enforcement efforts in specific areas. The multi-family inspections are based on a requirement for triennial inspections and in response to tenant and/or neighbor complaints. This program is supported by the collection of single-family and apartment/condominium licensing fees.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	1,731,660	18.1
FY07 CE Recommended	1,853,050	18.1

Federal Programs

This program is primarily funded by the Community Development Block Grant, the HOME Grant, and the Emergency Shelter Grant from the Federal government.

The Community Development Block Grant (CDBG) is a Federal Housing and Urban Development (HUD) grant awarded to Montgomery County. It funds both operating activities and Capital Improvements Program projects that meet HUD income and population guidelines.

The HOME Investment Partnership Program Grant, created under Title II of the National Affordable Housing Act of 1990, is intended to increase the stock of affordable housing. The HOME Grant is designed to increase housing choices for low-income households through rental and home ownership programs in cooperation with public, private, and nonprofit organizations.

The Emergency Shelter Grant (ESG) is a Federal Housing and Urban Development (HUD) grant awarded to Montgomery County. It funds both operating and capital expenses related to serving the homeless and preventing homelessness.

Activities may include property acquisition, construction, housing rehabilitation, commercial revitalization, road and sidewalk improvements, handicapped accessible improvements, and a variety of public services involving assistance to low income persons. Staff carry out the major regulatory requirements related to Federal mandates, including the development and publication of the County's Consolidated plan that identifies the needs of lower-income residents and outlines the action plans addressing those needs.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	9,122,440	7.0
FY07 CE Recommended	8,041,430	7.0

Landlord-Tenant Mediation

This program ensures fair and equitable relations between landlords and tenants and encourages the maintenance and improvement of housing. Activities include: mediating and arbitrating disputes; providing information and technical assistance to all parties; and taking legal action as necessary.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	1,006,690	9.1
FY07 CE Recommended	1,021,990	8.8

Commercial Revitalization

This program provides planning and implementation for commercial revitalization (physical and economic) in targeted local retail centers and central business districts. Primary funding for these projects is provided from the County's Capital Improvements Program, Federal Community Development Block Grant, Federal Economic Development Incentive Grants, and State Community Legacy Grants.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	711,150	7.0
FY07 CE Recommended	753,800	8.0

Consumer Protection

Bill 25-05, enacted October 11, 20005, created a new Office of Consumer Protection as a principal office in the Executive branch of County government. Please refer to the table of contents to locate the budget presentation relating to the Office of Consumer Protection.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	2,146,010	19.8
FY07 CE Recommended	0	0.0

Licensing and Registration

This program issues licenses to all rental housing (apartments, condominiums, single family) and registers all housing units within common ownership communities.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	420,420	4.0
FY07 CE Recommended	345,830	3.0

Housing Administration

Provides management and oversight to support activities within the housing division including single and multi-family housing programs, code enforcement and landlord tenant mediation.

This program was formerly included as part of the Housing Development and Loan Programs.

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	0	0.0
FY07 CE Recommended	104,900	2.0

Administration

This program provides overall direction, administration, and managerial support to the department. Activities include: budgeting, financial management, personnel management and administration, program oversight, training, automated systems management, and policy/program development and implementation (legislation, regulations, procedures).

FY07 Recommended Changes

	Expenditures	WYs
FY06 Approved	698,820	8.8
FY07 CE Recommended	947,720	10.8

BUDGET SUMMARY

	Actual FY05	Budget FY06	Estimated FY06	Recommended FY07	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,536,459	4,772,050	4,741,740	3,555,320	-25.5%
Employee Benefits	1,554,636	1,820,830	1,700,660	1,318,100	-27.6%
County General Fund Personnel Costs	6,091,095	6,592,880	6,442,400	4,873,420	-26.1%
Operating Expenses	910,501	901,850	955,350	646,960	-28.3%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	7,001,596	7,494,730	7,397,750	5,520,380	-26.3%
PERSONNEL					
Full-Time	101	103	103	86	-16.5%
Part-Time	5	5	5	4	-20.0%
Workyears	67.2	66.4	66.4	49.5	-25.5%
REVENUES					
Consumer Affairs Business Licenses	50,807	63,430	63,340	0	—
New Home Builder License	212,100	151,900	151,900	0	—
Civil Citations - Consumer Affairs	38,800	0	0	0	—
Miscellaneous - Common Ownership Communities	0	3,000	6,000	6,000	100.0%
Common Ownership Communities Fees	258,440	260,370	260,370	262,970	1.0%
Miscellaneous	6,533	12,000	0	0	—
Landlord Apartment Rental License	2,384,872	2,360,560	2,368,920	2,312,110	-2.1%
Miscellaneous - Landlord-Tenant	5,355	20,000	20,000	20,000	—
Civil Citations - Landlord-Tenant	0	30,000	50,000	45,000	50.0%
Landlord Single Family Rental License	1,152,507	1,146,600	1,156,400	1,176,000	2.6%
Landlord Condominium Rental License	307,282	294,000	294,000	302,400	2.9%
County General Fund Revenues	4,416,696	4,341,860	4,370,930	4,124,480	-5.0%
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	1,397,868	1,370,230	1,623,320	1,412,750	3.1%
Employee Benefits	520,210	516,410	516,410	562,670	9.0%
Grant Fund MCG Personnel Costs	1,918,078	1,886,640	2,139,730	1,975,420	4.7%
Operating Expenses	9,255,626	7,051,320	6,886,390	6,121,710	-13.2%
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	11,173,704	8,937,960	9,026,120	8,097,130	-9.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	17.9	17.3	17.3	16.9	-2.3%
REVENUES					
Community Development Block Grant	6,432,570	4,386,240	4,386,240	3,742,670	-14.7%
Community Development Block Grant: Misc	123,537	0	0	0	—
Community Development Block Grant: Program Income	0	1,100,000	1,100,000	1,100,000	—
EDI Special Projects	1,254,859	0	0	0	—
Emergency Shelter: Group Homes	270,131	227,530	227,530	226,600	-0.4%
HOME Grant: Misc.	19,935	0	0	0	—
HOME Grant: Program Income	0	500,000	500,000	500,000	—
HOME Investment Partnership Grant	2,730,567	2,559,510	2,559,510	2,363,180	-7.7%
Takoma Park Code Enforcement	126,617	0	0	0	—
Weatherization	92,012	164,680	252,840	164,680	—
Safe Kids Van	598	0	0	0	—
Wheaton Technology Center	120,478	0	0	0	—
Weatherization - Washington Gas	2,400	0	0	0	—
Grant Fund MCG Revenues	11,173,704	8,937,960	9,026,120	8,097,130	-9.4%
MONTGOMERY HOUSING INITIATIVE					
EXPENDITURES					
Salaries and Wages	304,224	453,490	355,380	540,870	19.3%
Employee Benefits	101,531	175,190	122,910	188,280	7.5%
Montgomery Housing Initiative Personnel Costs	405,755	628,680	478,290	729,150	16.0%
Operating Expenses	19,590,946	18,418,930	22,571,480	18,250,000	-0.9%

	Actual FY05	Budget FY06	Estimated FY06	Recommended FY07	% Chg Bud/Rec
Debt Service Other	80,938	80,300	80,310	79,420	-1.1%
Capital Outlay	0	0	0	0	—
Montgomery Housing Initiative Expenditures	20,077,639	19,127,910	23,130,080	19,058,570	-0.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	4.5	7.1	7.1	7.7	8.5%
REVENUES					
Developer Approval Payments	214,847	0	0	0	—
MPDU Alternative Payments	0	1,107,170	1,148,900	143,900	-87.0%
MPDU Resale Recapture	0	1,750,000	3,800,000	2,000,000	14.3%
Seneca Heights Loan	80,938	0	0	0	—
Mortgage Repayments	2,428,440	800,000	800,000	800,000	—
Replacement Home: Mortgage Repayments	400,919	0	0	0	—
Miscellaneous	7,366,356	0	532,080	0	—
Other Interest Income	51,753	0	120,000	140,000	—
Sale of Property	2,390,724	0	1,250	0	—
Condo Transfer Tax	2,062,457	0	4,000,000	4,000,000	—
Investment Income: Pooled	95,060	60,000	210,000	240,000	300.0%
HOC Loan Repayment	0	80,300	80,310	79,420	-1.1%
Interest Payment	0	0	21,300	0	—
Montgomery Housing Initiative Revenues	15,091,494	3,797,470	10,713,840	7,403,320	95.0%
DEPARTMENT TOTALS					
Total Expenditures	38,252,939	35,560,600	39,553,950	32,676,080	-8.1%
Total Full-Time Positions	101	103	103	86	-16.5%
Total Part-Time Positions	5	5	5	4	-20.0%
Total Workyears	89.6	90.8	90.8	74.1	-18.4%
Total Revenues	30,681,894	17,077,290	24,110,890	19,624,930	14.9%

FY07 RECOMMENDED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY06 ORIGINAL APPROPRIATION	7,494,730	66.4
Changes (with service impacts)		
Enhance: Senior Planning Specialist for the Moderately Priced Housing Unit (MPDU) development review process	71,750	0.8
Enhance: Program Specialist I Position to assist the Hispanic Outreach coordinator	55,020	1.0
Eliminate: Abolish - Manager II in the Department of Housing and Community Affairs	0	-1.0
Enhance: Program Specialist I for MPDU Department of Permitting Services oversight	0	0.0
Other Adjustments (with no service impacts)		
Increase Cost: FY07 Compensation	195,410	0.0
Increase Cost: Annualization of FY06 Personnel Costs	145,250	0.0
Replace: Staff Reassignments - CDBG to General Fund	79,590	1.1
Increase Cost: Group Insurance Adjustment	73,160	0.0
Increase Cost: Motor Pool Rate Adjustment	70,130	0.0
Increase Cost: Annualization of FY06 Operating Expenses	57,890	0.0
Increase Cost: Retirement Adjustment	55,810	0.0
Increase Cost: Decrease Lapse	15,000	0.3
Increase Cost: Annualization of FY06 Lapsed Positions	14,680	0.2
Decrease Cost: Group Insurance Adjustment	-7,620	0.0
Decrease Cost: Retirement Adjustment	-8,080	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY06	-9,870	0.0
Shift: Five non-profit organizations base budget contracts to HHS	-240,000	0.0
Shift: Personnel and Operating expenditures to Office of Consumer Protection	-2,542,470	-19.3
FY07 RECOMMENDED:	5,520,380	49.5

	Expenditures	WYs
GRANT FUND MCG		
FY06 ORIGINAL APPROPRIATION	8,937,960	17.3
<u>Changes (with service impacts)</u>		
Reduce: Emergency Shelter Grant (ESG) Entitlement	-930	0.0
Reduce: HOME Entitlement	-196,330	0.0
Reduce: CDBG Entitlement	-608,570	0.0
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY07 Compensation	62,790	0.0
Increase Cost: Annualization of FY06 Personnel Costs	24,380	0.0
Shift: Staff Reassignments - CDBG to General Fund	0	-1.1
Shift: Staff Reassignments - CIP to CDBG	0	0.7
Decrease Cost: CIP Appropriation Increase	-35,000	0.0
Decrease Cost: Annualization of FY06 Operating Expenses	-87,170	0.0
Decrease Cost: Adjust to display individual Federal programs listed below	-699,600	0.0
<u>Federal Programs</u>		
Add: Community Development Block Grant: Abilities Network (Community and Employment Partners)	15,000	0.0
Add: Community Development Block Grant: Asian American Leadership, Empowerment and Development (Mentoring Program)	30,000	0.0
Add: Community Development Block Grant: Asian Pacific American Legal Resource Center (Legal Assistance for Asian Workers)	35,000	0.0
Add: Community Development Block Grant: Bethesda Cares, Inc. (Immigration/Naturalization Documentation)	10,000	0.0
Add: Community Development Block Grant: Boat People SOS (Educational and Recreational Activities for Youth)	15,000	0.0
Add: Community Development Block Grant: Caribbean Help Center, Inc. (Education-Employment and Public Services)	30,000	0.0
Add: Community Development Block Grant: CASA of Maryland, Inc. (Direct Services Program - Social Services)	30,000	0.0
Add: Community Development Block Grant: Community Bridges, Inc. (Jump Start Girls/Adelante Ninas Summer Outdoor Adventure Camp)	26,000	0.0
Add: Community Development Block Grant: Community Ministry of Montgomery County (The Furniture Exchange)	15,000	0.0
Add: Community Development Block Grant: Community Preservation and Development Corporation (Gateway at Park Montgomery)	25,000	0.0
Add: Community Development Block Grant: Crossway Community, Inc. (Taking Action to Assist Families in Need)	10,000	0.0
Add: Community Development Block Grant: Easter Seals (Family Friend Program)	20,000	0.0
Add: Community Development Block Grant: Family Learning Solutions, Inc. (Kids in Biz part II)	20,000	0.0
Add: Community Development Block Grant: Gapbuster Learning Center, Inc. (Leaders in Training)	19,000	0.0
Add: Community Development Block Grant: Hearts and Homes for Youth, Inc. (Therapeutic Recreation)	20,000	0.0
Add: Community Development Block Grant: Housing Opportunities Community Partners (From Clutter to Classy)	16,000	0.0
Add: Community Development Block Grant: Jewish Council for the Aging (Project LogOn)	30,000	0.0
Add: Community Development Block Grant: Jewish Social Service Agency (The Road to Self-Sufficiency)	20,000	0.0
Add: Community Development Block Grant: Korean American Senior Citizens Association (Comprehensive Social Assistance Services for Korean-American Elderly)	15,000	0.0
Add: Community Development Block Grant: Korean American Senior Citizens Association (Technology Training)	10,000	0.0
Add: Community Development Block Grant: Long Branch Athletic Association (Long Branch Athletic Association)	30,000	0.0
Add: Community Development Block Grant: Mobile Medical Care, Inc. (Chronic Disease Care at Long Branch Community Center)	40,000	0.0
Add: Community Development Block Grant: Passion for Learning, Inc. (Passion for Learning)	30,000	0.0
Add: Community Development Block Grant: Senior Connection of MC, Inc. (Seniors On-Line: Satellite Offices of the Senior Connection)	10,000	0.0
Add: Community Development Block Grant: Shepherd's Table (Counseling for Spanish-Speaking Homeless)	17,020	0.0
Add: Community Development Block Grant: Silver Spring Interfaith Housing Coalition (Moving to Independence/Jobs for Housing)	24,000	0.0
Add: Community Development Block Grant: Threshold Services, Inc. (Compeer of Montgomery County)	24,600	0.0
Add: Community Development Block Grant: Top Banana Home Delivered Groceries, Inc. (Home Delivered Groceries for Elderly, Disabled and Low-Income)	10,000	0.0
Add: Community Development Block Grant: YMCA of Metropolitan Washington (YMCA Northwest Park Community Center)	35,000	0.0
Add: Emergency Shelter Grant: Community Ministry of Montgomery County (Community Vision Extended Hours Casework Program)	30,000	0.0

	Expenditures	WYs
Add: Emergency Shelter Grant: Montgomery County Coalition for the Homeless (Latino Case Management)	25,000	0.0
Add: Emergency Shelter Grant: Shepherd's Table (Counseling for Spanish-Speaking Homeless)	12,980	0.0
FY07 RECOMMENDED:	8,097,130	16.9
MONTGOMERY HOUSING INITIATIVE		
FY06 ORIGINAL APPROPRIATION	19,127,910	7.1
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Debt Service Appropriation Adjustment	79,420	0.0
Increase Cost: Annualization of FY06 Lapsed Positions	41,470	0.6
Increase Cost: Annualization of FY06 Personnel Costs	24,680	0.0
Increase Cost: FY07 Compensation	21,300	0.0
Increase Cost: Group Insurance Adjustment	9,210	0.0
Increase Cost: Retirement Adjustment	3,810	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY06	-4,000	0.0
Decrease Cost: Annualization of FY06 Operating Expenses	-12,930	0.0
Decrease Cost: Final adjustment to align with MHI allocation	-232,300	0.0
FY07 RECOMMENDED:	19,058,570	7.7

FUTURE FISCAL IMPACTS

Title	CE REC. FY07	FY08	FY09	(S000's) FY10	FY11	FY12
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY07 Recommended	5,520	5,520	5,520	5,520	5,520	5,520
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY07	0	-8	-8	-8	-8	-8
Items recommended for one-time funding in FY07, including furniture, computers, and printers, will be eliminated from the base in the outyears.						
Labor Contracts	0	69	69	69	69	69
These figures represent the annualization of FY07 increments, general wage adjustments, and associated benefits.						
Labor Contracts - SWS Charges	0	-5	-5	-5	-5	-5
These figures represent the annualization of FY07 increments, general wage adjustments, and associated benefits.						
Subtotal Expenditures	5,520	5,577	5,577	5,577	5,577	5,577
MONTGOMERY HOUSING INITIATIVE						
Expenditures						
FY07 Recommended	19,059	19,059	19,059	19,059	19,059	19,059
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	10	10	10	10	10
These figures represent the annualization of FY07 increments, general wage adjustments, and associated benefits.						
Subtotal Expenditures	19,059	19,069	19,069	19,069	19,069	19,069

FY07-12 PUBLIC SERVICES PROGRAM: FISCAL PLAN			MONTGOMERY HOUSING INITIATIVE					
FISCAL PROJECTIONS	FY06 APPROVED	FY06 ESTIMATE	FY07 REC	FY08 PROJECTION	FY09 PROJECTION	FY10 PROJECTION	FY11 PROJECTION	FY12 PROJECTION
ASSUMPTIONS								
Indirect Cost Rate	12.60%	12.60%	12.76%	12.76%	12.76%	12.76%	12.76%	12.76%
CPI (Fiscal Year)	2.6%	3.7%	2.6%	2.6%	2.7%	2.7%	2.7%	2.7%
Investment Income Yield	0.03	0.0415	0.0455	0.0465	0.047	0.048	0.0485	0.049
BEGINNING FUND BALANCE	7,665,520	10,093,160	4,825,440	389,070	2,405,880	4,453,690	6,920,500	9,728,310
REVENUES								
Miscellaneous	3,797,470	10,713,840	7,403,320	7,288,260	7,306,870	7,335,300	7,353,580	7,373,580
Subtotal Revenues	3,797,470	10,713,840	7,403,320	7,288,260	7,306,870	7,335,300	7,353,580	7,373,580
INTERFUND TRANSFERS (Net Non-CIP)	8,148,520	8,148,520	7,718,880	14,285,960	13,796,960	14,185,960	14,506,960	14,906,960
Transfers To The General Fund	(81,040)	(81,040)	(93,040)	(93,040)	(93,040)	(93,040)	(93,040)	(93,040)
Indirect Costs	(81,040)	(81,040)	(93,040)	(93,040)	(93,040)	(93,040)	(93,040)	(93,040)
Transfers From The General Fund	8,229,560	8,229,560	7,811,920	14,379,000	13,890,000	14,279,000	14,600,000	15,000,000
To MHI	8,229,560	8,229,560	7,811,920	14,379,000	13,890,000	14,279,000	14,600,000	15,000,000
TOTAL RESOURCES	19,611,510	28,955,520	19,947,640	21,963,290	23,509,710	25,974,950	28,781,040	32,008,850
CIP CURRENT REVENUE APPROP.	0	(1,000,000)	(500,000)	(500,000)	0	0	0	0
PSP OPER. BUDGET APPROP/ EXP'S.								
Operating Budget	(19,047,610)	(23,049,770)	(18,979,150)	(18,979,150)	(18,979,150)	(18,979,150)	(18,979,150)	(18,979,150)
Debt Service: Other (Non-Tax Funds only)	(80,300)	(80,310)	(79,420)	(78,260)	(76,870)	(75,300)	(73,580)	(73,580)
Subtotal PSP Oper Budget Approp / Exp's	(19,127,910)	(23,130,080)	(19,058,570)	(19,057,410)	(19,056,020)	(19,054,450)	(19,052,730)	(19,052,730)
TOTAL USE OF RESOURCES	(19,127,910)	(24,130,080)	(19,558,570)	(19,557,410)	(19,056,020)	(19,054,450)	(19,052,730)	(19,052,730)
YEAR END FUND BALANCE	483,600	4,825,440	389,070	2,405,880	4,453,690	6,920,500	9,728,310	12,956,120
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	2.5%	16.7%	2.0%	11.0%	18.9%	26.6%	33.8%	40.5%

Assumptions:

1. Maintains the County Executive's commitment to affordable housing. Per Council Resolution 15-110, the CE's recommended budget includes an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) to ensure the availability of \$16.1 million or the equivalent of 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year, whichever is greater.
2. The actual FY05 General Fund property taxes were \$792,149,705.
3. The allocation available for the Montgomery Housing Initiative fund (MHI) is 2.5 percent of the actual General Fund property taxes, equal to \$19,803,742.
4. Per Council Bill 25A-4, paragraph (c), enacted November 30, 2004, effective April 1, 2005, the FY06 Montgomery Housing Initiative Fund (HIF) will include an additional allocation of \$143,900 from MPDU alternative payments.

Notes:

1. These projections are based on the Executive's Recommended Budget and include negotiated labor agreements, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include inflation or unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
2. The labor contract with the Municipal and County Government Employees Organization, Local 1994 expires at the end of FY07.

FY07 Landlord Tenant Affairs/Common Ownership Community Restricted Fund		
	LTA	COC
BEGINNING FUND BALANCE	1,525,590	204,630
Revenues	3,855,510	268,970
Expenditures	4,026,170	322,930
YEAR END FUND BALANCE	1,354,930	150,670